

Chief Officer Pay Policy Statement

Effective 2015

1. Introduction

Cambridgeshire County Council is committed to operating consistent, transparent and equitable pay arrangements for employees and, as an equal opportunities employer, is committed to ensuring equal pay in employment.

This Chief Officer Pay Policy Statement fulfils the Council's statutory requirements under Chapter 8 of the Localism Act 2011 ("the Act") and was agreed by full Council on 24 March 2015.

The Chief Officer Pay Policy applies to all Statutory and Non-Statutory Chief Officers, (including Deputies), of Cambridgeshire County Council.

In accordance with the Government's Code of Recommended Practice for Local Authorities on Data Transparency, the Council publishes information on all employees earning £50,000 or above.

2. Scope

This Statement details the Council's pay policy and practice in relation to all Statutory and Non-Statutory Chief Officers, (including Deputies) of Cambridgeshire County Council as defined under Cambridgeshire County Council's constitution.

3. Basic Pay Determination

The pay grade and the terms and conditions that are applied to each post are determined through the process of HAY job evaluation. This is an analytical scheme, which measures the relative size of jobs across the organisation. The key principles underlying the application of job evaluation in the County Council are:

- Consistently applied across the authority to ensure fairness.
- Applied by appropriately trained and experienced employees.
- Quality assured to ensure that standards are maintained.
- Open and transparent and accessible for employees and their representatives.
- About the relative size of jobs and not about people or pay.
- Wholly dependent on job role, function and accountability.

4. Chief Officer Pay (Corporate Leadership Team)

4.1 Pay Scale

The pay scale for the Corporate Leadership Team is available on the Council's website.

4.2 Appointments and Remuneration Committee

An Appointments and Remuneration Committee determines, on behalf of full Council, application of the pay policy regarding the remuneration of Statutory and Non Statutory Chief Officers (including Deputies), of the organisation. The Appointments and Remuneration Committee comprises 7 members of the Council (of whom no more than three are Cabinet members).

When determining application of the pay policy, the Committee is advised by the Head of Paid Service and the LGSS Director of People, Transformation and Transactions (or his/her nominees). The Committee may, having sought the advice of the above, choose to be advised by an external independent advisor as appropriate.

4.3 Pay Award

There is no automatic cost of living increase. The Appointments and Remuneration Committee determines the level of increase, if any, to be applied to the published pay rates, by reference to the Council's performance against Key Measurable Targets and overall affordability given the Council's prevailing budget decision.

In addition, the national award¹ is used as a benchmark for the cost of living award.

The Appointments and Remuneration Committee has agreed a pay award for 2015/16 of 1%, the same amount agreed for 2014/15. No other payments or progression have been applied for 2014/15 and 2015/16.

4.4 Flexibility for Non-Consolidated Payments

The Appointments and Remuneration Committee has the flexibility to award one off non-consolidated performance awards. These are applied in exceptional circumstances only, where individuals have performed above and beyond their job role. Again this will be dependent on clear performance criteria and evidenced outcomes as well as affordability. Any non-consolidated performance award will be a one-off temporary award for a maximum of one year and based on the development points within each Director pay grade boundaries and will not exceed the "Absolute Ceiling" of these pay and grade boundaries.

4.5 Individual Salary Level – Progression through the Development Points

There is no automatic progression through the development points. Personal development in role may be recognised by the award of discretionary consolidated pay movements each year, in accordance with the locally agreed step values, through the six pay/development points. Application of individual development points will be determined each year by the Appointments and Remuneration Committee, taking into consideration the individual's performance and overall affordability given the Council's prevailing budget position. Awards

¹ The award agreed by the National Employers to be applied to the National Joint Council (NJC) Local Government Pay Spine.

may be considered only on completion of Personal Development Plan milestones and where contribution and competence have been suitably evidenced and assessed via the performance management scheme (appraisal). Progression will not go beyond the “Absolute Ceiling” set for each grade.

4.6 Acting Up / Partial Acting Up and Honorarium Payments

Where an officer is required to Act-Up into a higher level Chief Officer/Deputy Chief Officer post he/she will be remunerated at the bottom of the higher graded post’s development point range. The decision to Act an officer up into a Chief Officer/Deputy Chief Officer post will be within the remit of the Appointments and Remuneration Committee. Where a Chief Officer/Deputy Chief Officer is required to take on temporary additional responsibilities the Appointments and Remuneration Committee may consider awarding an honorarium payment based on the difference of his/her current salary and the additional partial role he/she is required to carry out. There will be no flexibility to award above the “Absolute Ceiling” for the role.

Any honorarium payments made to the Chief Executive will be subject to Full Council approval as would any payment made to the Returning Officer. In election years, full Council will be asked to agree any payment to be made to the Returning Officer at the same time as agreeing the Pay Policy.

4.7 Market Premium Payments

It is the Council’s normal policy not to pay market supplements. Where a case is put forward to pay a Market premium, this will be presented to the Appointment and Remuneration Committee advised by the LGSS Director of People, Transformation and Transactions (or his/her nominees) and Chief Executive for consideration. Any Market premium rate would be based on a detailed business case that demonstrates some or all of the following:-

- Evidence of repeated unsuccessful recruitment campaigns
- Evidence of comparable roles paid at higher levels in benchmark authorities
- Significant evidence of higher than normal turn over/attrition rates
- Significant business continuity/service delivery risks

Any Market premium rate would be temporary for a maximum period of three years, with an annual review. Market premiums would be made only in exceptional circumstances and subject to affordability.

Any proposed Market premiums payments made to the Chief Executive would be subject to the above and Full Council approval.

5. Pay Equity – The Pay Multiple

The Council monitors the relationship between the remuneration of its Chief Officers and Deputies and the remuneration of its lowest paid employees.

The Council defines its ‘lowest paid employees’ as employees paid on the first spinal column point (scp 5) of the National Joint Council (NJC) pay spine for Local Government Services employees.. This is the lowest rate of pay applied to Council employees, currently £13,500 per annum.

The current ratio of the Chief Executive's salary to the mean salary in the organisation is 1:8². This is based on a mean average salary of £23,723.

The Fair Pay Review 2010 recommended that the pay ratio should not be more than 1:20. Therefore, the Council falls well within this range.

The Council commits to calculating the pay ratio on an annual basis to monitor trends and to ensure that this pay multiple does not widen.

6. Termination of employment

On ceasing to be employed by the Council, employees will be paid contractual payments due under their contract of employment. The Council's Redundancy Policy details the conditions under which redundancy payments can be made. The Council calculates redundancy payments based on an individual's actual pay, length of continuous service and age.

7. Review

This pay policy statement will be reviewed annually and recommended to Full Council for approval. The statement for 2014/15 will be submitted to Full Council for approval by 31 March 2015.

The Council may by resolution of the Full Council, amend this Pay Policy Statement during the course of the year to which it relates.

² Teachers/School's based salaries have been excluded from scope when calculating this pay ratio.